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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
)
Administration of the)
North American Numbering Plan)

CC Docket No. 92-237
Phases One and Two

COMMENTS OF MFS COMMUNICATIONS COMPANY, INC.

MFS Communications Company, Inc. ("MFS"), by its undersigned counsel, hereby submits its comments in response to the *Notice of Proposed Rulemaking* in this docket, FCC 94-79 (released April 4, 1994) (the "*NPRM*").

MFS is a diversified telecommunications holding company. Its competitive access provider ("CAP") subsidiaries operate state-of-the-art digital fiber optic networks in major metropolitan areas across the country, including Albany, Atlanta, Baltimore, Boston, Buffalo, Chicago, Dallas, Houston, Los Angeles, Minneapolis, New York, northern New Jersey, Philadelphia, Pittsburgh, Rochester, St. Louis, San Francisco, and Washington, D.C. (including areas in Maryland and Virginia). These networks provide point-to-point dedicated transmission services within each of these metropolitan areas, including circuits connecting end users to interexchange carrier ("IXC") points of presence, connections among and between IXC facilities, point-to-point private line services between end user premises (where authorized) and dedicated access to local exchange carrier ("LEC") central offices for connection to interstate and intrastate special access services in certain markets, where LEC tariffs permit such access.

MFS also provides certain components of switched services in those states where local tariffs permit such offerings. Its subsidiaries provide dedicated access to LEC central offices in New York and Boston for interconnection to LEC switched services. MFS subsidiaries in New York, Maryland, Massachusetts and Illinois have been granted authority

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by their respective state regulatory commissions to resell and, in some jurisdictions, to provide local switched services. MFS subsidiaries also have been authorized by state regulatory agencies to provide certain intrastate dedicated services in Colorado, Connecticut, Florida, Indiana, Kentucky, Ohio, Oregon and Washington, but have not yet constructed or completed facilities in those markets. Another subsidiary, MFS Datanet, Inc., provides specialized and enhanced data transmission services designed for connecting computers and computer networks to each other, both within and between cities.

Given this wide and expanding range of locally-oriented telecommunications services, MFS has a direct and substantial interest in technical standards for the interconnection of telecommunications networks. Numbering plans are prime examples of such technical standards—different telecommunications networks must use common signalling systems in order to interconnect and interoperate. For switched services in particular, telephone numbers and other numeric signals are essential for the correct routing and processing of voice and data traffic. The North American Numbering Plan is an essential element in the development of an efficient public telecommunications system comprised of multiple interconnected -- and in many cases competing -- common carrier and private networks.

Since the outset, MFS has actively participated in this proceeding. In its comments in response to the *Notice of Inquiry*,¹ MFS emphasized the fact that neutral administration of the North American Numbering Plan ("NANP") is essential to the ongoing development of our nation's interconnected public common carrier and private telecommunications networks, and urged that the Commission's inquiry into the administration of the NANP be expedited, to ensure that carriers will be able to move forward in developing plans for introducing new, locally-oriented services. MFS Comments at 2. In addition, MFS' reply

¹ *Notice of Inquiry*, CC Docket Nos. 92-237 and CC 92-470 (released October 29, 1992) ("*NOI*").

comments submitted in response to the Phase 1 initial comments reiterated the need to expeditiously release proposed rules transferring administration of NANP from Bellcore to a neutral administrator and to complete the rulemaking proceeding as soon as possible thereafter. MFS Reply Comments at 2.

In the *NPRM* in this proceeding, the Commission requests comments on, *inter alia*, the following: (1) who should administer the NANP; (2) how should the costs of national administration be recovered; and (3) whether the Commission should require LECs to allow customers to exercise choice among carriers in the "1+" interstate intraLATA toll market. MFS' comments on these topics are set forth below.

I. ADMINISTRATION OF THE NUMBERING PLAN

MFS' earlier comments and submissions in this proceeding have addressed the need for a neutral NANP administrator. The Commission must assure that the public interest in an economical, reliable and nationwide telecommunications system is not compromised by potential conflicts of interest. In the face of increasing competition for numbering resources, MFS firmly believes that the Commission should reassign NANP administration to a neutral administrator with no tie to any particular company or industry segment. Therefore, MFS believes that the Alliance for Telecommunications Industry Solutions ("ATIS") is not a viable alternative for administering the NANP. Because the members of ATIS are both users of numbering resources and competitors of other users, ATIS' appointment as the NANP administrator would unavoidably entail a significant potential for conflicts of interest. In addition, the assignment of the day-to-day administration of the NANP to an organization such as ATIS that represents many diverse stakeholders (who would have direct and often conflicting interests in the outcome of ATIS' administrative decisions) would certainly lead to the slower resolution of NANP issues. The cumbersome decision making structure of this type of organization will impose unnecessary administrative costs and will inevitably lead

to the incorporation of political and internal organizational considerations in NANP administration. Thus, MFS supports either the assignment of the future administration of the NANP to a new entity or an existing neutral third party (e.g., an accounting or information services firm).

In addition, MFS fully supports the Commission's tentative conclusion that the assignment of central office ("CO") codes should be centralized so that the new NANP administrator assumes such responsibilities. *NPRM* at para. 29. The current system, under which CO codes are assigned within each Numbering Plan Area by the largest LEC in that area (except in the 809 area), is fraught with potential conflicts of interest. The LECs are themselves users of CO codes as well as actual or potential competitors of other code users. Indeed, MFS has experienced just such a conflict of interest -- when its subsidiary, MFS Intelenet of New York, Inc. ("Intelenet"), applied to New York Telephone Company ("NYT") for a CO code in the 212 NPA, NYT refused to assign the code until the New York Public Service Commission issued a decision confirming Intelenet's entitlement to a code.²

Given the exceptional importance of numbering policy to the development of telecommunications policy, both in the United States and throughout World Zone 1, MFS recommends that ultimate policy responsibility also be assigned to a single disinterested entity rather than to a committee or forum. As noted in the *NPRM*, far too many groups have responsibility for and oversight over numbering issues. Such an inefficient and often contentious process contravenes the Commission's policy of promoting the efficient and innovative use of numbering resources. Thus, MFS supports the assignment and consolidation of primary responsibility for all numbering policy concerns, national and local

² *Proceeding on Motion of the Commission to Investigate Performance-Based Incentive Regulatory Plans for New York Telephone*, Case No. 92-C-0665 (issued and effective Oct. 4, 1993).

numbering issues and central office ("CO") code administration issues³ to either a new disinterested entity or an existing neutral party. Although MFS prefers that a government entity such as the Commission itself exercise direct responsibility over the NANP,⁴ in consultation with other World Zone 1 regulatory agencies as necessary, MFS finds the Commission's proposal of establishing an independent, disinterested policy board to assist regulators in developing and coordinating numbering policy under the NANP acceptable if the Commission and/or other national telecommunications regulators appoint such board members.⁵

Finally, MFS respectfully suggests that the Commission assure that numbering costs, like other telephone-related costs, are recovered fully and fairly from the parties causing the costs. All users of numbering resources must equitably participate in the funding of the

³ Specifically, the new administrator should assume control of all functions currently performed by Bellcore, including all functions performed by the North American Numbering Plan Administration ("NANPA") and the Traffic Routing Administration ("TRA"). The TRA maintains and disseminates database information, including the Routing Database System -- from which the Local Exchange Routing Guides are derived, and the Bellcore Rating Administrative Data System -- from which NANP rating data are derived. In addition, the new administrator should administer central office code assignments, which currently are performed by the LECs. Finally, other general database administrative functions -- such as administration of the national 800 number portability database -- should be performed by the new administrator.

⁴ The NANP codes constitute limited national resources. Although a numbering plan in theory may be expanded indefinitely by using additional digits, substantial costs are incurred in terms of reprogramming switches and other equipment, as well as the additional time and inconvenience to the public of remembering and dialing the extra digits. Such costs must be balanced against the public benefits of expanding the numbering plan to accommodate new services and increased consumer demand, and this balancing function is best performed by an agency that is ultimately responsible to the public at large.

⁵ *NPRM* at para. 25. If the Commission decides to employ an independent third-party administrator, such administrator should be selected by competitive bid. As in any effective competitive bidding process, all candidates should be qualified to eliminate potential conflicts of interest, and should be required to demonstrate managerial, financial and technical fitness. Finally, the administrator's term of office should be of sufficient duration to ensure the fair and consistent administration of the NANP. Through this process, the Commission can obtain the best possible price, performance and value in the administration of the NANP.

NANP and its administration. Therefore, MFS respectfully suggests that the Commission request that Congress enact legislation authorizing the disinterested policy board established by the Commission to assist regulators in developing and coordinating numbering policy to recover the costs of NANP administration through a modest fee on all users of numbering resources in proportion to their direct use of such resources.

II. INTERSTATE, INTRALATA TOLL CALLS

MFS strongly urges the Commission to require LECs to implement equal access and presubscription for interstate intraLATA "1+" toll calls. As noted in the *NPRM*, under the current system, competition for this traffic is reduced while the cost of such calls are often substantially higher than if the calls had been turned over to the customers' presubscribed interLATA IXC. IntraLATA equal access greatly benefits consumers by increasing competition. Moreover, recent state developments demonstrate that intraLATA "1+" capability is technically feasible at a modest cost. For example, the Public Utilities Commission of Ohio recently accepted two stipulations that require Western Reserve Telephone Company, Inc. ("Western Reserve") and Cincinnati Bell Telephone Company ("CBT") to implement a form of intraLATA "1+" capability.⁶ In both cases, the companies will implement intraLATA "1+" capability by deploying the methodology known as "modified 2 PIC." This methodology permits customers to select their presubscribed interLATA toll carrier as their exclusive "1+" toll carrier or to retain Western Reserve or

⁶ *Complaint of the Office of Consumers' Counsel, on Behalf of the Residential Utility Customers of the Western Reserve Telephone Company v. The Western Reserve Telephone Company, Application of the Western Reserve Telephone Company for Approval of an Alternative Form of Regulation*, Case Nos. 92-1525-TP-CSS and 93-230-TP-ALT, Opinion and Order, Public Utilities Commission of Ohio (entered March 30, 1994); *Application of Cincinnati Bell Telephone Company for Approval of an Alternative Form of Regulation and for a Threshold Increase in Rates, Complaint of the Consumers' Counsel, State of Ohio, on Behalf of the Residential Customers of Cincinnati Bell Telephone Company v. Cincinnati Bell Telephone Company*, Case Nos. 93-432-TP-ALT and 93-551-TP-CSS, Opinion and Order, Public Utilities Commission of Ohio (entered May 5, 1994).

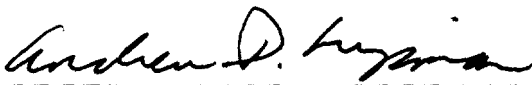
interLATA toll carrier as their exclusive "1+" toll carrier or to retain Western Reserve or CBT to carry their intraLATA calls. The companies will recover their intraLATA "1+" implementation costs through a modest one-time nonrecurring intrastate access charge (an amount not to exceed \$175,000 for Western Reserve and \$200,000 for CBT). Therefore, MFS requests that the Commission require LECs to modify their current treatment of intraLATA, interstate "1+" toll traffic.

CONCLUSION

For the foregoing reasons, MFS respectfully requests that the Commission ensure vigorous, neutral administration of the North American Numbering Plan by transferring NANP functions to either a new disinterested entity or an existing neutral body; and that it require LECs to implement equal access for interstate intraLATA "1+" toll calls.

Respectfully submitted,

Cindy Z. Schonhaut, Esq.
Vice President
Government Affairs
MFS Communications Company, Inc.
3000 K Street, N.W.
Suite 300
Washington, D.C. 20007
(202) 424-7709


SWIDLER & BERLIN, CHARTERED
3000 K Street, N.W.
Suite 300
Washington, D.C. 20007
(202) 424-7500

Attorneys for
MFS Communications Company,
Inc.

Dated: June 7, 1994

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of June 1994, copies of the foregoing
COMMENTS OF MFS COMMUNICATIONS COMPANY, INC. in CC Docket No. 92-237,
have been served via hand-delivery to the following:

Richard Metzger, Acting Chief
Common Carrier Bureau
Federal Communications Commission
1919 M Street, N.W.
Room 500
Washington, D.C. 20554

Peyton L. Wynns, Chief
Industry Analysis Division
Federal Communications Commission
1250 23rd Street, N.W.
Room 100
Washington, D.C. 20554

International Transcription Services
1919 M Street, N.W.
Room 246
Washington, D.C. 20554


Sonja L. Sykes-Minor